



भारतीय रिजर्व बैंक
RESERVE BANK OF INDIA

www.rbi.org.in

RBI/2019-20/243

DOR.No.BP.BC.70/21.01.003/2019-20

May 23, 2020

All Scheduled Commercial Banks
(Excluding Regional Rural Banks)

Dear Sir/Madam,

Large Exposures Framework – Increase in Exposure to a Group of Connected Counterparties

Please refer to our [circular No.DBR.No.BP.BC.43/21.01.003/2018-19 dated June 03, 2019](#) on the captioned subject. In terms of para 5.2 of the circular, the sum of all the exposure values of a bank to a group of connected counterparties must not be higher than 25 percent of the bank's available eligible capital base at all times.

2. On account of the COVID-19 pandemic, debt markets and other capital market segments are witnessing heightened uncertainty. As a result, many corporates are finding it difficult to raise funds from the capital market and are predominantly dependent on funding from banks. Therefore, with a view to facilitate greater flow of resources to corporates, it has been decided, as a one-time measure, to increase a bank's exposure to a group of connected counterparties from 25% to 30% of the eligible capital base of the bank.

3. The increased limit will be applicable up to June 30, 2021.

Yours faithfully,

(Saurav Sinha)
Chief General Manager-in-Charge

विनियमन विभाग, केंद्रीय कार्यालय, केंद्रीय कार्यालय भवन, 12वीं/ 13वीं मंज़िल, शहीद भगत सिंह मार्ग, फोर्ट, मुंबई - 400001
टेलीफोन/ Tel No: 22661602, 22601000 फैक्स/ Fax No: 022-2270 5691
Department of Regulation, Central Office, Central Office Building, 12th/ 13th Floor, Shahid Bhagat Singh Marg, Fort, Mumbai – 400001

हिंदी आसान है, इसका प्रयोग बढ़ाइए